GENERAL AND REVENUE SECRETARIAT.

SUBJECT.

-to the Residency
warning / copies of orders passed by Govt
on the proposal of the Retrenchment

1) From the J.A. Resident. No. 4434 dt 6.8.06.

Acknowledges receipt of the draft Budget Estimates for 1906-7 and the G.O. thereon, and makes certain observations regarding the financial Administration of the State.

3) ~~Dan~~ To the J.A. Resident. No. pol 390 dt 14/11/06

Replies that the points raised have all been under the consideration of Govt. and orders will issue in due course.

6). To the Comptroller. No. JE 4137 dt 30.11.06.

Requests him to report early on the progress made in the recovery of the outstandings due to the State.

7) To the J.A. Resident. No. pol. 669 dt 21.1.07

Forwards copies of orders regarding retrenchment of expenditure in the Revs, Judicial & Registration departments, ~~and with~~ and states the financial effects of these retrenchments.

7(a) To the Compltr and Revs. No. JE 5560-1 dt 21/1/07

Points out that the financial effect of the abolition of three revenue Sub Divisions will be a (saving of Rs 16200 p.a. or a minimum saving of Rs 9000/-.

8) To the J.A. Resident. No. pol 176 dt 21.3.07

Forwards copies of G.O. on the retrenchments ~~ordered~~ in the Archaeological and Excise Departments

To the First Assistant Resident

No. pol 755 dt 11.3.09.

Forwards copies of G.O.s. passed by the Govt. on the retrenchments in the Several departments of the State.

D. O. dated 8.8.06 from the Secretary to the Comptr
Sends, as desired by the Dewan, a copy of the
Hon'ble the Resident's letter.
Submitted with the Savings Banks file Containing
the Residency letter no: 484 dy 29.1.04 and
Govt Pro: No: 1509/Gen Fin 280-04-37 dated
the 15th August 1906

The retrenchment of expenditure, the institution of a financial settlement & the building up of a reserve against possible famine and railway extensions, referred to in para 4 of the letter under disposal, are questions discussed by the Comptroller in his report on the progress of revenue and expenditure during the decade ending with 1903-04 which is under the consideration of the Committee appointed in G.O.No. H 7166-21 Gen Fin 280 dated 30th April 1906.

5 In para 5 of the Residency letter 8 points are asked to be dealt with:--

(1) Minimum cash balance required to provide for the efficient working of the administration.

6 The Comptroller was asked in this office letter No.4628 dated 25-1-06 to favor Government with his views in this matter. In his report on the movement of funds and the resource operations of the Treasuries for the year 1903-04, the Comptroller has discused

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this point and has fixed the minimum for the last day of January at 30 lakhs. In his letter No. 4798/969 dated the 28th February 1905 which is a reply to this office letter calling for his views in this matter as also in his report on the resource operations during 1904-05, he states that this estimate of the minimum working balance has been confirmed by subsequent experience. The Treasury balances reach their lowest level not on the 31st December as mentioned in the Residency letter, but on the 31st January on which date the 1st instalment of the subsidy falls due. The minimum resource balance to be maintained on 31st December is, as calculated by the Comptroller, about 50 lakhs. The net receipts in January do not generally suffice for the payment of the subsidy falling due in that month. But with a balance of Rs.50 lakhs on the 1st January, the payment of the 1st instalment of the subsidy may be made without ~~incurring~~ raising any loan or selling Government of India securities. If at the commencement of a normal financial year, a resource balance of about 70 lakhs is maintained, a balance of about 50 lakhs can be expected at the beginning of January. With our present resources, there seems to be no difficulty in opening the financial year with a cash balance of 70 lakhs.

7 (ii) the formation of a special reserve of invested funds against savings banks liabilities and the imposition of limits on deposits.

8 The limits annual and aggregate have been imposed and communicated to the Residency As regards the formation of a reserve the Comp-

GPB—50,000—23-10-05

has, in para 87 of his report, proposed that 2/3rds of the Savings Bank deposits should be set apart as a reserve to guarantee their repayment, and orders have not yet been passed on this proposal. The liability on account of Savings Bank deposits is now about 95 lakhs and after the conversion of a portion of this into funded debt (the new 4 per cent loan), it will be reduced to about 75 lakhs which would require a reserve of 50 lakhs.

9 (iii) Audit of Muzrai Accounts and regulation of Muzrai expenditure.

10 Final orders in this matter were passed in G.O.No.2892-901/Muz.F.5-96 dated the 19th March 1904, a copy of which may be sent to the Residency.

11 In para 7 of this office letter No.1190 dated 5th November 1903, it was stated that the question of the form of check to be exercised on Palace Muzrai expenditure was under the consideration of Government. No information as to the progress made in the consideration of this question is forthcoming in this office, and it was ascertained by personal enquiry that the Muzrai Secretariat is also not aware of this matter.

(iv) Recovery of outstandings due to the State.

12 A report as to the progress made so far in the recovery of these outstandings will have to be obtained from the Comptroller if approved Unofficial.

(v) Question of reducing the status of the State Huzur Treasury.

13 The consideration of this question was deferred, as it was found necessary, as advised by

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the present Comptroller, to continue the present arrangement for some time to come.

14 (vi) Issue of the Forest Code and the audit of forest accounts.

15 The Forest Code was passed on 19th February 1904. Chapter III contains rules regarding the maintenance of forest accounts and their audit. A report of this part may be made to the Residency

16 (vii) The condition of the finances of the Bangalore City Municipality.

17 Branch IV is requested to note on this point.

18 (viii) The financial position of Agricultural Banks and the recovery of advances made to them.

19 The two coffee banks at Saklespur and Chikmaglur, having been found to be hopelessly embarrassed, were ordered to be wound up, and the members made responsible individually for the loans obtained by them. G.O. dated the 6th January 1905 explains in detail the action taken by the Government in regard to these two banks and a copy of it may be sent to the Residency. The other Agricultural Banks are proposed to be remodelled on the lines of Co-operative Societies and with this object Mr. Shama Rao has been appointed an Inspector of Agricultural Banks. After the result of this new attempt is known, a report as regards the condition of the banks and recovery of the amounts due by them may be made.

20 In 1905-06 Rs.1,04,842 were realised from these banks and a balance of Rs.13,06,913 (including interest) is still to be recovered.

General and Revenue Secretariat.

47 File No. 47 of 1906

Serial No.

To Bor IV with reference to para No VII Supra

G.R.S. 12]

General and Revenue Secretariat.

G.F File No

Serial No.

21

Para 5 of Mr. Kiernander's report.

21 As regards para 5 of Mr.Kiernander's report about the irregular system of the Shanbhogs performing both the clerical as well as collection work, it has already been reported in para 10 of this office letter No.1190 dated 5th November 1903 to the 1st Asst to the Hon'ble the Resident in Mysore that the Shanbhogs duties were exclusively confined to the collection of taxes with reference to the bills prepared and made over to them by the office.

22

Paras 8 to 12, 15 to 18, 31, 38,39,45,52,54,

22 2. In regard to the defects pointed out by Mr.-Kiernander in the maintenance of the several registers and accounts, it may be stated that certain forms and books as revised and prescribed by Mr. Kiernander were printed and supplied to the President's office. But before this could be finally adopted the Comptroller was requested in Govt Pro No 728-9/LB 84-9, dated 20th July 1904 to conduct an examination of the accounts and to submit a set of Draft Rules for the proper main-tenance of the accounts on the lines suggested by Mr Kiernander. The Comptroller, having however brought to notice some inconsistency between the provision made in the Draft Municipal Regulation now before the Govt of India and the existing practice in connection with the audit of municipal accounts, it was decided that the revision of the rules should be taken up for consideration after the regulation is promulgated

23

23 3. On the question of finance, a Committee was appointed in Govt Pro No 4706-10/LF.43-98 dated 4th June 1904 to scrutinize the financial condition of the muni-cipality and to suggest ways and means for its improvement. This report was reviewed in Govt Pro No

Serial No.

in which the following concessions were granted to the Municipality:-

24 The [illegible] charges on account of the Maternity Hospital and of the English Middle School, which were transferred to the Medical and Education Departments respectively and as the cost of lighting in the City was about double the amount realized fromthe tax the lighting was ordered to be raised from 1 to 2 per cent on the rental value of houses. The entire income from the water tax and tolls, which was ordered to be set apart for payment of muni contribution towards the annual maintenance of the City watersupply, has since been commuted into a fixed contribution of Rs.30,000, all excess over this amount realised from the aforesaid items of revenue being allowed to be utilized by the Municipality for other purposes.

25 4. The following questions are engaging the attention of Government and will be finally settled on receipt of proposals called for from the President:-

(i) Reduction of expenditure on the registration of births and deaths.

(ii) Extension of octroi on some more articles

(iii) Substitution of professional taxes for the existing Mohatarfa tax.

(iv) Levy oftax on all public buildings without exception, and

(v) The revision of the establishment of the City Municipality.

26 5. Orders have been issued for the speedy revision of assessment on houses and lands in the City and the question of substituting scavenging tax for the

scavenging cess will be taken up after the passing of the new Municipal Regulation.

6. The financial condition of the City Municipality for 1906-07 as compared with that of 1902-03 is given below:-

	1902-03	1906-07
1. Opening balance.	23,776	24,111
2. Receipts.....	204,700	322,269
Total.....	228,476	346,380
3. Expenditure.....	228,221	327,706
4. Closing balance.....	255	18,675

7. Out of the outstanding arrears of Rs.58,885-12-2 up to the end of 1901-02 at the time of the audit of accounts by Mr.Kiernander, a greater portion has since been collected or remitted, the balance now remaining being only Rs.19,837-5-4 for the recovery of which necessary steps are being taken.

The difficulty of the question & the presence of Dewans & the work, have contributed to some delay in the submission of these papers. I have had a draft reply to the address prepared, & this may kindly be approved

Dewan

Please refer to your Demi-official letter of the 29th April 1906 and paragraphs 4 & 5 of my official letter 4434 dated the 6th August 1906 regarding the Comptroller's report on the administration of the Mysore Finances.

2. The Resident will be glad to know, at an early dat how the matter now stands and when the opinion of the Durbar may be expected.

General and Revenue Secretariat.

67 File No. 47 of 1906-7

Serial No.

The Dewan desires that the draft reply may be shown to the Comptroller for opinion before it is issued

B.V.
C.S.R.
7/11/06

to the Comptroller. Any modifications which he thinks are required may kindly be noted by him in the margin of the draft.

C. Chandrasekhaya
7/11

COMPTROLLER'S OFFICE
10. NOV. 1906
(119)
MYSORE

I do not wish to suggest any modifications in the draft

7/11

Mr. Rice made the reference to the Comptroller regarding the progress in the recovery of outstandings. See last para of the draft minute 12-11-06

To the First Assistant to the Honble the Resident
Pol No: 390 dated 14.11.06

States that the Comptroller's report has been, for some time past, under the Consideration of Govt, but that before proceeding with the matter further it was considered desirable to have the revenue and expenditure of the State thoroughly examined from all points of view, with the object of ascertaining the possibilities of improving the former and retrenching the latter, that a Committee Consisting of the two Councillors was accordingly appointed in 1906 to Conduct, in Consultation with Heads of Depts, this examination and to make specific recommendations for improving the finances, that the report of the Comptroller has been placed before the Committee, that the examination of a few Departments has been Completed and orders passed by the Durbar on the recommendations of the Committee, that Copies of the orders will be sent shortly, that in order to expedite the matter, each Dept will be dealt with by itself and the recommendations of the Committee disposed of as they are received, that in this way it is expected that the whole enquiry will be Completed & final decisions arrived at both regarding the Construction of Expenditure

& regarding the institution of a financial settlement, the building up of a reserve against famine and railway extension charges & against the S.B. deposits & Trust Funds & other matters by or before the close of the current official year, that as the recommendations of the Committee are based on careful and detailed enquiry it is not possible to complete their labours earlier & that copies of final orders passed will from time to time be communicated to him for the information of the Honble the Resident & in the meanwhile intimates the action already taken on certain points connected with the financial administration of the State.

Subd with a draft to the Comptroller as directed in Asst: Secy's note dy 12.11.06. May the file after issue of the above letter be subd to the Secy. Retrenchment Committee for information and return?

Issued

28/11/06

to the hon. L.A. Adler Dis. H: A.37 dated 30.11.06

requests him to report early on the progress made in the recovery of the outstandings due to the State.

I think we should send
to the President copies of orders
passed by the Dredging on
proposals for retrenchment.

37 The following matters have been
& are about to be finally settled with.

1) Reconciliation of Republican claims
2) Municipal Elections
3) Revision of Sub-Division, &
a Bill for N.A. - Sub-Division, &
Electors

The Financial
Branch should draft a short
order stating that the sets-
free & places of Mr Lees
& reducing Establishments be
number provided in the
Civil Service Scheme.
The Communicate can should
also be drawn -

4) - Reduction of the Revenue Department - Most serious for Revenue

Please send copies of the Resolutions
as have been issued -

Please ascertain if order has been issued - 28
Mudie 29.4.16

The files on the Subjects were se
branches I & III on 14/12/06.

Submitted with a draft

K.S.
14/12/06.

The file regarding the re on
the Archaeological Dept is ; interp.
Cairn ~ reply
18/12/6

submitted with the revised draft as per orders.
K.S. 22/12/06. 42 The file regard the
reorganisation Archaeological
Establishment has not been rece
back from the Dewan Office
& Savings Effected in that
Establishment are not therefore
mentioned in the draft interp.

Sub.d - to Secy

reply
22/12/6

Tended by 43 Please when the reference files of the
K.S. 26/12/06 Branches received, a copy each interp
printed copies of the final Despatch
order.

44 The draft-letter as
33473 23.1.07 the Decision for appl before. Issue

Draft submitted by Dewan

2869 17/1/07

CAB 17/1/07

Note—Contin. sheet

GPB—50,000—23 10-05

Pol: 609 of the 20.9.1907, to the First Asst Resident.

Forwards, for the information of the Hon'ble the Resident, copies of orders regarding the retrenchment of expenditure in Rev., Judicial & Registration depts. & gives the financial results of these retrenchments.

Recently, retrenchments have been effected in two other depts. Archaeology & Excise - the total of the financial effects in these two depts: being Rs. 69,348 per annum. may copies of these orders be forwarded to the Resi.? ? Subd with a draft.

K.S. (for First Secy)
18.7.07.

(9-7-7

wr 19/7

Please examine & state to what extent these savings have been realised in the Budget Estimate of 1906-07

7. The Budget Clerk for wk.

(9-7-7

Submitted.

Out of a reduction of ~~Rs~~ expenditure of Rs 42,784 ordered in the Excise Department effect has been given to the extent of Rs ~~18,395~~ 24184 in the budget estimates for 1907-08. 22962

B Out of a reduction of Rs 5304 in the Archaeological Dept effect has been given to the extent of Rs 4464 in the budget for 1907-08.

H.S.
23/7/07

GPB—50,000—23-10-05

The result anticipated by G.O. of 15.6.07 is an improvement in the Excise revenue of Rs 20,000 and a reduction in the expenditure of the Dept of Rs 42784

50 The improvement under Excise would, it was feared be counterbalanced by the possible fall under the Provincial and it was accordingly not considered safe to estimate for any increase under both heads during 1907-8 and the budget Estimate for 1906-7 was repeated as the Estimate for 1907-08 Please See para 3 of the Excise Budget memo of 25/6/07

51 Under expenditure, savings resulting from all the items of retrenchment except two have been taken into acct in the budget for 1907-08. The two excepted items are the following:

(1) Remuneration to [illegible]

it was not found possible to introduce from this year the new arrangement of Carrying liquor recommended by the Excise Commr

the existing arrangement
to be continued for another year
and the full provision of Rs 50000
must accordingly be allowed for
1907-08, without the reduction of
Rs 15000 anticipated by the retrench-
ment order —

(2) Replacing four officers of
the Grade of Asstt Commrs by
an equal no of officers of the
Grade of Mukhtears with
an allowance of Rs 50 .... 4800.

Provision for 8 Asstt Commrs
for the Excise Charges details
has been made in the Budget.
One of these four new appointments has
since been made and 1/4 of
the above amt ie Rs 1200 has
therefore been saved on this
acct. The other three appointments
have not yet been made & till
they are made the expected
savings can not be realised.
Leaving therefore Rs 15000 and
Rs 3600, the balance viz Rs 24,184
out of a total of Rs 42784 has
been saved so far

The Saving expected in the Archaeol
Dept was Rs 5304 per annum
In calculating this amt the
pay at Rs 35 each of 2 Copyi
of the Oriental Library work
the Dept and whose reversio
to the Library was direc
in the retrenchment ord
is taken into account. The
pay was not provided for in
the Archaeological Budge
and from the point of view
the Talks, their reversion ha
not resulted in any Savin
while the charges of the
Oriental Library continue
to be the same, as they a
unaffected by the reversion o
the Copyists - There is then
no Saving on this acct and
not even Gross Credit was
taken for their pay in calcul
the Saving estimated by
the Order. Excluding this
amt viz Rs 840, the balan
of Rs 4464 out of the Rs
of Rs 5304 has been

G. R. S. 12]
General and Revenue Secretariat.

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Serial No.

Savings in the budget for 08

According to the latest proposal regarding carriage of liquor it does not seem that any appreciable saving will be made if the arrangements for carriage are run departmentally: and it is impossible to judge whether the anticipation of an improvement of revenue to the extent of Rs 20,000 will be realised.

With the exception of item ten of the pay of 2 coolies in the Cuchaa Ae depôt referred to in the above note the other savings referred to in the G.O. may be expected by 1st April & reported to the Resident. But I do not see how we can then send copies of this G.O. until sanctioned.

25-7-07

Copies of the orders may not perhaps be sent. In the covering letter it may be explained how far savings have been taken credit for in the budget for 07-08 & it may be stated that the balance will be saved when the necessary administrative arrangements are completed.

Final draft

CB 8/07

GPB—50,000—25-2-07

General and Revenue Secretariat. | Pol: Fin File No. | of 1907-8.

Serial No. | Auditor?

57 | 2 letter maybe drafted as suggested by Secl Fin? & submitted to the Dewan.

2n 31-7-07.

Draft
mk
31.7.

Submitted with a draft accordingly.
K.S.
3.8.07.

mk 5/8

Draft submitted to Dewan

Gl Finance File No. 47 of 1906-07

Submitted

The following orders relating to retrenchments have been issued.

F. O. No: J 3295-96 dated 2.5.08 relating
Pris 72-06-2 to the Prisons Department

No: G 6620-45 dated 13.5.08 regarding
G.M. 236-07-1 the revision of the menial establishments attached to the several Head Quarter Offices

No: G 6787-819 D 16.5.08 regarding
G.M. 36-07-39 the supply of clothing to menials of Post Offices

No: G 7453-4 D 19.6.08 regarding
G.M. 236-07-2 the reduction of the menial Establishment of the A.R. Secretariat

No: G 2503-4 D 27.10.08 relating to
G.M. 159-08-2 the Geological Department

No: G 2918-35 D 13.11.08 relating to
G.M. 56-08-11 the Travellers' Bungalow Establishment

No: G 4397-97 D 29.1.09 relating to
G.M. 237-08-1 the P.W. Department

May a Copy of each of the above be sent to the Residency. Yes. Please post us a [illegible] on the dais

17.2.09

191-

G. R. S. 12]
General and Revenue
Secretariat.

Gen Fin File No. 47 of 1906-07

Serial No.

Draft submitted.
Hob
24/2/09

Para 3

In our letter dy 14-11-06 we promised to send copies of papers passed from time to time regarding retrenchments, for the information of the Hon the Resident.

Put Seen

Dewan
074
25.2.09

(Bf. VV)

From the A Secy to the Govt Agent Residency
No Pol 755 Dy 11-8-09
Forwards for information of the Hon'ble the Resident Copies of orders Nos (1) G 329-5-96/Pris 720-6-2 Dy 2-5-08 (2) G 6620-457/G m 2.3.6-07-1 Dy 13-5-08 (3) G 6787-819/G m 36-07-39 Dy 16-5-08 (4) G 7653-4/G m 236-07-2 Dy 19-6-08 (5) G 2503-4/G m 159-08-2 Dy 27-10-08 (6) G 2918-35/G m 56-08-11 Dy 13-11-08 (7) G 4397-99/G m 237-08-1 Dy 29-1-09 passed by the Durbar re retrenchment of expenditure in some depts

FROM

P. L. Moore Esquire, I. C. S.,

Offg: FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

Dated Bangalore, 6

SIR,

I am directed to acknowledge the receipt of Mr Chandrasekhara Aiyar's letter Pol No.52, dated 19th July 1906, forwarding a copy of the Mysore Budget for 1906-1907 with a copy of the Durbar's proceedings thereon.

2. When the Budget estimates for 1905-1906 were under consideration, the Comptroller suggested the advisability of (1) laying down principles for regulating the expenditure of civil administration so as to ensure a surplus of revenue and (ii) of setting apart the net revenue derived from the Cauvery Power Transmission scheme towards replacing the reserve out of which the capital cost of that scheme was met. In their Proceedings Fl.8925-67/Gl 356, dated the 29th June 1905, the Durbar accepted the Comptroller's suggestion (ii) and proposed to defer the consideration of question (i) pending the receipt of Mr.Basu's general report on the progress of expenditure and the finances of the State which had been called for.

3. The Resident is glad to observe that the Government of His Highness the Maharaja have now arranged to set apart Rs. 14,35,000, being the estimated net receipts from the Cauvery

Power

2

Power Scheme for 1906-07, towards rebuilding the revenue balance of the State and that the receipts and expenditure of the year have been balanced so as to result in a surplus of Rs.20,000 in the ordinary account.

Nevertheless the financial system of the State is, as has been recognized by the Durbar, in need of revision in the direction of reducing expenditure, the institution of a financial settlement and the building up of a sufficient reserve both against possible famine and railway extension charges and against the Savings Banks deposits and Trust funds. It is understood that the Durbar have now under their consideration a report which the Comptroller has submitted on the subject and it has been intimated that the opinion of the Durbar in the matter will be forwarded to the Residency by or before the next Dassara in October.

In this connection I am to invite attention to Mr. Moss King's letter No. 484, dated 29th January 1904, regarding the financial administration of the Mysore State and to say that Mr. Fraser hopes that the Durbar's report will deal also with the points noticed in that letter, which, for facility of reference, are reproduced below:-

(i) Para 4. Minimum cash balance required to provide for the efficient working of the administration.

(a) whether the Durbar are prepared to fix the minimum balance at 30 lakhs,

(b) whether this minimum will be maintained at the end of December,

(c) whether the net receipts in January will be sufficient of themselves to meet the instalment of subsidy due on 31st January, and, if not, what provision the Durbar propose to make to meet that instalment.

(ii) Para 6. The formation of a special reserve of invested funds against outstanding Savings Banks liabilities. It is presumed that an annual limit of Rs.2,000 and an aggregate limit of Rs.5,000 have been imposed on individual deposits as reported in the Durbar's letter Pol No. 715, dated 8th March 1906.

(iii) Para 14. Report on the progress made in the settlement of the undermentioned pending questions connected with the financial administration of the State, and referred to in paragraphs 7,8,9, 10 and 11 of the Durbar's letter No.Fincl. 1190, dated 5th November 1903:-

(a) Audit of Muzrai accounts and regulation of Muzrai expenditure,

(b) Recovery of outstandings due to the State,

(c) Question of reducing the status of the Huzur Treasury,

(d) Issue of the Forest Code and the audit of Forest accounts,

(e) the condition of the finances of the Bangalore City Municipality,

(f) the financial position of Agricultural Banks and the recovery of advances made to them.

I have the honour to be,

Sir,

Your most obedient servant,

Offg: First Assistant Resident

Bdl No. 390 Genl. at 19-11

Govt. of H.H. the Maharaja of Mysore

Genl and Rev Sectt

Dated, Bangalore, the 8 Nov ~~October~~ 1906.

Chandrasekhara Aiyar, Esq., B.A., B.L., Genl: Fn: 47-00

Secy to the Govt. of H.H. the Maharaja of Mysore.

General & Revenue Department.

To

The First Assistant to the Hon'ble the Resident in Mysor

Sir

am directed to acknowledge the receipt of your letter No.4434 D/ the 6th Aug. 1906 communicating for the information of the Durbar the observations of the Hon'ble the Resident on the Budget Estimates of the State for 1906-07, and requesting that the points connected with the financial administration of the State noticed in Mr.Moss King's letter No.484 D/ the 29th January 1904, may be dealt with in the promised communication regarding the action taken on the Comptroller's report on the finances of Mysore.

2. The Comptroller's report has been, for some time past, under the consideration of Govt, but before proceeding with the matter further it was considered desirable to have the revenue and expenditure of the State thoroughly examined from all points of view, with the object of ascertaining the possibilities of improving the former and retrenching the latter, and a committee consisting of the two Councillors was accordingly appointed in April 1906 to conduct, in consultation with Heads of departments, this examination and to make specific recommendations for improving the finances. The report of the Comptroller has been placed before the Committee; a copy of the G.O. appointing this Committee is enclosed for information.

3. The examination of a few Departments such as the Judicial and Registration has already been completed; and the Durbar have just passed orders on the recommendations of the Committee. Copies of the orders will be sent to you shortly. In order to expedite the matter, each Department will be dealt with by itself, and the recommendation of the Committee disposed of as they are received. In this way it is expected that the whole enquiry will be completed and final decision arrived at, both regarding the reduction of expenditure, and

regarding the institution of a financial settlement, the building up of a reserve against famine and railway extension charges and against the Savings Banks deposits and Trust Funds and other matters by or before the close of the current official year. As the recommendations of the Committee are based on careful and detailed enquiry, it is not possible to complete their labours earlier. Copies of final orders passed will from time to time be communicated to you for the information of the Hon'ble the Resident.

4. In the meanwhile, I am directed to intimate the action already taken on certain points connected with the financial administration of the State referred to in para 5 of your letter under reply:-

5. I. Minimum cash balance required to provide for the efficient working of the administration.

(a) Whether the Durbar are prepared to fix the minimum balance at 30 lakhs.

(b) Whether this minimum will be maintained at the end of December, and

(c) Whether the net receipts in January will be sufficient of themselves to meet the instalment of Subsidy due on 31st January and if not, what provision the Durbar propose to make to meet that instalment.

The treasury balances reach their lowest level, not on the 31st December, but on the 31st January on which date the first instalment of the subsidy falls due. The Comptroller has calculated that the minimum for the last day of January should be Rs 30 lakhs. The net receipts in January do not generally suffice for the payment of the subsidy due in that month. The Comptroller estimates that, if a resource balance of about Rs 30 lakhs be maintained on the 31st December, it would suffice for the

payment of the first instalment of the subsidy and still leave a balance of about 30 lakhs after this payment, and there would be no need for raising any loan or selling Govt. of India Securities for paying the subsidy or for working the treasuries till the revenue collections come in. ~~The Comptroller has calculated that~~ If at the commencement of a normal financial year a resource balance of not less than 70 lakhs is maintained a balance of about 50 lakhs can be expected at the beginning of January. With our present resources there seems no difficulty in opening the financial year with the required working balance. Under these circumstances, no special provision to ensure the punctual payment of the first instalment of ~~subsidy~~ the subsidy due on the 31st January seems necessary

The formation of a special reserve of invested funds against Savings Banks liabilities and the imposition of limits on deposits.

The limits annual and aggregate have been imposed and communicated to you in my letter No. 142 D/11-200 The question of the formation of a reserve to guarantee the repayment of deposits will, as stated in para 2 supra, be considered after the report of the Committee is received

16. Audit of Muzrai accounts and regulation of Muzrai expenditure.

The Durbar have passed final orders in the matter in their Pro: No 2842 D/1934a copy of which is enclosed for information. with F5-96

17. Question of reducing the Status of the State Huzur Treasury.

The consideration of this question has been deferred as it was found necessary, as advised by the present Comptroller, to continue the existing arrangement for some time longer.

after their report the matter will be finally dealt with in consultation with the Comptroller.

8. Issue of the Forest Code and the audit of Forest Accounts.

The Forest Code was passed on the 19th Feb. 1904, and rules regarding the maintenance of Forest Accounts are contained in Chapter III of the said Code. As stated in para 47 of G.O. No.Fl 1150-1192/ 18-1901-02 D/ 7th Feb.03, ~~Govt. Order~~ Para 11 on Mr.Kiernander's report, the entire audit of all Forest and Khedda expenditure is now being performed by the Comptroller.

9. The condition of the finances of the Bangalore City Municipality.

~~As regards~~ the condition of the Finances of the Bangalore City Municipality a Committee was appointed to scrutinize ~~it~~ and to suggest ways and means for its improvement. The report submitted by that Committee was reviewed by the Durbar in Govt.Pro:No.4315-21/[illegible] 03-04-1 D/ the 3rd Feb.1903 in which the following concessions were granted to the Municipality.

It was relieved of the charges of maintenance of the Maternity Hospital and of the English Middle School, Bangalore, both of which were transferred to the Medical and Education Departments of the State respectively.

(2) The cost of lighting in the City being about double the amount realized from the tax the lighting tax was ~~accordingly~~ ordered to be raised from 1 to 2 per cent of the rental value of houses, and the contribution payable by the City Municipality for the Electric lighting supplied to it was fixed at Rs 15,000/- per annum. The entire income frc. the water tax and tolls which had been ordered to be set apart to meet the Municipal contribution towards the annual maintenance of the City Water Supply was commuted

into a fixed annual contribution of Rs 30,000/and all excess over this amount realized from the aforesaid items of revenue was allowed to be utilized by the Municipality for other purpose

~~10.~~ As regards the observations made by Mr.Kiernander in para 3 of Chapter XVII of his report about the irregular system of the Shanbhogs performing both the clerical and collection work attention is kindly invited to para 10 of this Office letter No.1190 D/ 5th Nov.1903 where it is intimated that the Shanbhog duties are exclusively confined to the collection of taxes with reference to the bills prepared and made over to them by the Municipal Office.

11. To remedy the other defects pointed out by Mr. Kiernander in regard to the maintenance of the several registers and accounts, certain forms and books as revised and prescribed by him were at first printed and supplied to the President's Office. At the same time the Comptroller was requested to conduct an examination of the accounts and to submit a set of draft rules for their proper maintenance on the lines suggested by Mr.Kiernander. The Comptroller, however, having brought to the notice of Govt. some inconsistency between the provision made in the draft Municipal Regulation and the existing practice in connection with the Audit of Municipal accounts, it was decided that the revision of the rules facilitating the maintenance of accounts in the new form should be taken up for consideration after the Municipal Regulation ~~is~~ promulgated

12. To further improve the financial condition of the Municipality orders have also been issued for the speedy revision of assessment on lands and houses in the City and the question of substituting scavenging tax for the existing scavenging Cess will be taken up after the new Municipal Regulation recently sanctioned comes into force.

The following actions are still awaiting the decision of Govt. and will be finally disposed of on receipt of detailed proposals which have been called for from the President.

(I) Reduction of expenditure on the registration of births and deaths.

(2) Extension of Octroi on some additional articles.

(3) Substitution of professional taxes for the existing mohatarfa tax.

(4) Levy of tax on all Public Buildings without exception, and

(5) The revision of the establishment of the City Municipality.

15. Out of the outstanding arrears of Rs 58,885-I2-? up to the end of I90I-02 at the time of audit of the accounts by Mr.Kiernander a very large portion has since been either collected or remitted on proper grounds, and the balance now remaining is only Rs I9,837.5.4 for the recovery of which necessary steps are being taken.

I6. The financial condition of the City Municipality for I906-07 as compared with that of I902-03 is as follows:--

	I902-03	I906-07	
(I) Opening balance	23,778	24,III	
(2) Receipts	204700	3,22,269	(including the
Total	2,28,476	3,46,380	annual grant of
(3) Expenditure	228,22I	327,705	one lakh for
(4) Closing Balance	255	I8,675	special works)

The Financial position of Agl Banks and the recovery of advances made to them.

The two Coffee Banks at Sakleshpur and Chikmagalur having been found to be hopelessly embarrassed were ordered to be wound up and the members made responsible individually for the loan obtained by them. Vide No 76428-21/637-C.O. D/ the 6th June I905 explains in detail the action taken in the matter, and a copy of it is herewith sent for

information. The Durbar have recently arranged to afford to the other Banks the benefit of guidance by the appointment of an Inspector of Agricultural Banks and it is hoped that this supervision by a Govt. Officer, who can pay undivided attention to the work, will safeguard the interest of Govt. and arrest the decline of these institutions. ~~The result of this new attempt will be reported in due course~~.

17. In 1905-06 Rs 104842 was recovered from the Agricultural Banks and a balance of Rs 13.06.913 including interest is still ~~due~~ to be recovered from them.

~~18.~~ Recovery of outstandings due to the State.

A report, as to the progress made so far in the recovery of these outstandings, has been called for from the Comptroller, and on its receipt a further communication will be addressed.

Diary No. of letter replied t

General and Revenue Secretariat

To

The Comptroller
to the Govt of H.H.
the Maharaja of Mysu

do | Sir,

Mr Kiernander | With reference to para
73 & 74 of Chapter II of
Mr Kiernander's Report
I am directed to reques
you to be so good as to
report, at an early date
so far in the recovery
of the outstandings due
to the State.

I have t

28/11/06
For Secy

28-11-06

SUBJECT.

General and Revenue Secretaria

To

The First A
the Hon'ble
Reside

Sir

Adverting to par
of my letter No. Pol. 39
the 14th November 1
I am directed to forw
herewith copies of the
marginally noted or
passed by the Durb
regarding the retr
of expenditure in the
Judicial & Regn. dep
The results ar
summarised below:-

	Net annual Savings in Expenditure	Anticipated annual improvement in revenue
Kly:	16,200.-	
Judl:	51,356/-	
Repl^s.	8,036.-	8000.-
	Total.	8000.

I have the

honour to be,

Sir,

Your most obedient

Servant.

K.S.
22/12/05

22/12/05

Proceedings of the Government of H.H. the Maharaja of Mysore.

Read:-

G.O.No. R 5516-55 dated the 29th November 1906, passing orders regarding the readjustment and reduction of Assistant Commissioners' charges in the State.

Order thereon.- No. ಫೈ 5560-1 ಪ್ರ21-1/07
ಗ.ವ.ದಾ.ಇ 47-06-3

The revision sanctioned in the order read above results in the abolition of three Sub Divisions and allows of the number of Assistant Commissioners being reduced eventually to a corresponding extent.

The financial effect of this reduction will be a maximum saving of Rs.16,200 per annum, or a minimum saving of Rs.9,000.

25/12/06

Secretary to Government.

To

The Comptroller, Mysore Govt.
The Revenue Commissioner.

Diary No. of letter replied to —

Pol: No. 176
Encs: 2.

General and Revenue Secretariat

To

The First Asstt. to the
Hon'ble the Resident
Impore

Date of issue 21-8-07.

Signed by Sri: U. L. Majumdar

Sir,

In continuation of my Chandrasekhara Aiyar's letter, no 609 dated 20th January 1907, I am directed to forward herewith for information of the Hon'ble the Resid Copies of orders, nos: G 6278-82/Pol: Mis 67-06-25 dated 10th April 1907, and no 9243-54/S.R 14-5-06-1 dated 15th Jun passed by the Durbar regarding the retrenchment of Expenditure in the Archaeology & Excise Departments. an

	Anticipated annual Saving $ in Expenditure.	Anticipated Improvement in Revenue
Archaeological deptt:	564	
Excise department.		

2) Of the above, credit has been taken in the budget estimates for 1907-8 for a Saving of Rs: 4464/- in the Archaeological deptt:

To

The First Assistant to
Hon'ble the Resident
in Mysore

Sir,

In continuation
Mr. Mayumaars letter
Pol 176 dated the 21st Au
I am directed to forward
herewith for the information
of the Hon'ble the Resident Copi
of the Government Orders
orders passed by the Durba
regarding the retrenchment
of expenditure in some of the
partments of the State.

I have to

SUBJECT. Hon 24/2/09

to	G 6620-45/ establishm	9-07-1 Dy 13.5.08 regarding the revise sheet to the several Head Quarter offi
do	G 6787-819/ to men	17-39 Dy 16.5.08 regarding the supply boat Officers
do	G 7453-41/ menial	16-07-2 Dy 19.6.08 regarding the reduction of the ohment of the Ex. R. Secretariat
do	G 2503-4/	9-08-2 Dy 27.10.08 relating to the Geological D
do	G 2918-35/ atta	6-08-11 Dy 13.11.08 revising the establishments Rs. & 2d class travellers' bungalows in the State.
do	G 4397-9c	137-08-1 Dy 29 ting to the P.W. departme